

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

Baxter Healthcare Corporation, et al.,

No. C 07-1359 PJH (JL)

Plaintiffs,

v.

**ORDER DENYING DEFENDANTS'
MOTION TO COMPEL (Docket # 223)**

Fresenius Medical Care Holding, Inc.,

Defendants.

Introduction

All discovery in this case was referred by the district court (Hon. Phyllis J. Hamilton), pursuant to 28 U.S.C. ss636(b). The parties submitted a joint statement regarding their discovery dispute over entries on DEKA's privilege log. The Court carefully considered the positions of both parties and hereby issues its order.

Analysis

The Court concludes that the disputed entries on DEKA's Supplemental Privilege Log have been properly withheld as privileged, even if no recipient is listed. For example, a number of DEKA's Privilege Log entries are memos, located in its outside counsel's files, that directly memorialize legal advice rendered or received. Many of these entries are on standard forms entitled "Telephone/Personal Conference Memo," including by way of example Entry Nos. 546, 553, 559, 568, 649, 650, 654, 655, 666, 975, 1051, 1054, 1281,

1 and 1094, and many contain the identification of the attorney, the client, and the date of the
2 communication in the appropriate blanks on the form.

3 For example, Entry No. 546, DEKA' s Privilege Log now reads: "Document
4 memorializing attorney-client communication and reflecting/containing attorney mental
5 impression regarding prosecution of U.S. Patent No. 4,778,451" and specifying a date of
6 January 1, 1988. Although the document itself was not communicated between an attorney
7 and a client, the document by its nature and contents memorializes and reflects legal
8 advice rendered in a privileged conversation and, thus, has been appropriately withheld as
9 privileged. *In re Rivastigmine Patent Litigation*, 237 F.R.D. 69, 83 (S.D.N.Y. 2006) ("A
10 memorandum to file may be protected where it records a confidential attorney-client
11 communication."); *Larson v. Harrington*, 11 F.Supp. 2d 1198, 1203 (E.D. Cal. 1998)
12 (attorney-client privilege protects notes or memoranda created at the behest of counsel).

13 Again, a number of entries (e.g., Nos. 1081 and 1300) for which Defendants seek
14 production are dated and signed communications from DEKA' s then in-house counsel,
15 Steve Fukuda, to its outside patent prosecution law firm, Bromberg & Sunstein. Fresenius
16 appears to argue, however, that these documents cannot be withheld as privileged
17 because DEKA was unable to ascertain, based on its investigation to date, to which
18 particular attorney at Bromberg & Sunstein the communication was directed and, thus, it
19 listed "Bromberg & Sunstein" as the recipient. To the contrary, the identity of a specific
20 attorney recipient is not required, especially where Bromberg and Sunstein was specifically
21 retained to render legal advice regarding patent prosecution.

22 Accordingly, DEKA' s identification of communications which refer to or reflect legal
23 advice requested or offered, between one lawyer, Mr. Fukuda, and DEKA' s outside patent
24 prosecution counsel, the firm of Bromberg & Sunstein, establishes the validity of logging
25 the communications as privileged. See Fed. R. Civ. P. 26(b)(5) (noting that the log must
26 describe the nature of the communications that the privilege claim can be assessed); see
27 also e.g., *U.S. v. ChevronTexaco Corp.*, 241, F. Supp 2d 1065, 1073 (N.D. Cal. 2002)
28

1 (“Communications between client and its outside counsel are presumed to be made for the
2 purposes of obtaining legal advice.”) (citation omitted).

3 Defendants seek production of a number of documents which are either invention
4 disclosures or drafts (or portions of drafts) of patent applications, that reflect information
5 received from and later transmitted to DEKA in whole or in part. Indeed, the Court in the *In*
6 *re Rivastigmine Patent Litigation* case, cited by Fresenius in one of its other privilege
7 motions, found that the attorney-client privilege generally applies to draft patent
8 applications, amendments, and supporting affidavits, unless the privilege is waived. 237
9 F.R.D. 69, 86; see also *McCook Metals L.L.C. v. Alcoa Inc.*, 192 F.R.D. 242, 253 (N.D. Ill.
10 2000):

11 “A draft necessarily reflects the communications between a client and his attorney as
12 the attorney attempts to put forth the invention in the best light possible to protect a
13 client’s legal right. A patent draft implicitly contains the legal opinion and advice of
14 the attorney regarding the wording of technical specifications, claims, and prior art,
15 and whether an item is included, all of which are necessary to secure a legal claim
16 for the client.”)

17 There is no waiver in this case, as there could have been had DEKA failed to log
18 these entries as privileged.

19 Order

20 For all the above reasons, Fresenius’ Motion to Compel the Production of DEKA
21 Documents from Privilege Log is DENIED in its entirety, with respect to DEKA’S privilege
22 log Entries Nos. 176, 213, 300-301, 519, 531, 543, 546, 553, 559, 562, 568, 581-584, 602,
23 625, 649-650, 654-655, 660-661, 664-666, 669, 671, 686, 688-689, 695, 700, 702, 734,
24 886-888, 906, 927-932, 935-936, 946, 948, 955-956, 964-965, 970-972, 974-975, 979,
25 982-986, 994-996, 998, 1000, 1030, 1032, 1034, 1040, 1048, 1051, 1054-1059, 1081,
26 1094, 1158, 1181, 1211, 1281, 1283-1295, 1300, 1309, 1377, 1434, 1463, and 1573.

27 IT IS SO ORDERED.

28 DATED: March 3, 2009


JAMES LARSON
Chief Magistrate Judge

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